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STAFF NOTES:

Soviet Union Eastern Europe

State Dept. review completed

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SOVIET UNION - EASTERN EUROPE

This publication is prepared for regional specialists in the Washington community by the USSR - Eastern Europe Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

CONTENTS

	25X1D
Yugoslav Security Concerns Outlined 4	•
	25X1D
Brezhnev's Economic Pronouncements Reviewed 7	

Next 2 Page(s) In Document Exempt

Yugoslav Security Concerns Outlined

Stane Dolanc, Tito's number-two man in the party, has told the US ambassador that Yugoslavia is keeping to its independent path despite growing pressures from the East. Dolanc also said that anti-Titoist emigre activities in the West, particularly in the US, were a constant concern of Belgrade and an impediment to more rapid improvement in US-Yugo-slav relations.

During his introductory talk with Ambassador Silberman last Tuesday, Dolanc reiterated that Soviet pressure on Yugoslavia has increased, specifically noting the arrests of several groups of "Cominformists"--pro-Soviet subversives--during the past year. He avoided the sensitive issue of direct Soviet involvement except to say the Cominformists "are undoubtedly inspired by the East." His comments, however, came against a backdrop of rumors in Belgrade that a new and very large Cominformist group--equipped with a clandestine radio transmitter--has been arrested in Serbia.

Dolanc also pointed to differences with the USSR over the planned European Communist Conference and insisted that Yugoslavia would not adopt Moscow's position. He commented that opposition to the USSR is the "common thread" that binds Yugoslavia and Romania together.

Dolanc, like other Yugoslav leaders, soundly condemned emigre activities in the West. He said that because of security concerns, he was a virtual prisoner in his room during a recent trip to "Free West Germany." He recited a list of unsolved terrorist actions by emigres in the US and flatly asserted that bilateral relations would improve more quickly if Washington could do something about the emigres.

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Increased Yugoslav concern over emigre terrorism stems from heightened fears that the various emigre groups may collude in a final push after Tito dies. The boldness of recent terrorist actions--such as the bombing last week of a Zagreb bank near Tito's parade route--has led Belgrade to redouble its security effort at home and to make representations to foreign governments with jurisdictions over potential

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terrorists.

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Brezhnev's Economic Pronouncements Reviewed

A two-volume collection of Brezhnev's speeches concerning economic policy was published this summer. Press reviews of this publication identify Brezhnev, to varying degrees, with relatively progressive policies, such as the consumer program, trade with the West, and even the economic reform of 1965.

The anthology, "On the Basic Questions of the CPSU's Economic Policy at the Present Stage," was published under the editorship of Brezhnev's assistant, G. E. Tsukanov. So far it has been reviewed in Izvestia, August 21, Pravda, September 3, and Ekonomicheskaya Gazeta, No. 36, signed to press September 1. The themes highlighted in the articles are probably a combination of ones that Brezhnev and his advisers want publicized and ones of interest to the reviewers.

Issuance of the anthology serves to enhance Brezhnev's role as an economic spokesman in the leadership. The <code>Izvestia</code> and <code>Pravda</code> reviewers refer to Brezhnev's "tremendous contribution" and "outstanding personal contribution" to the country's socioeconomic development. All commentary on the collection has noted that it includes the otherwise unpublished speeches by Brezhnev at Central Committee plenums devoted to approving annual economic plans and budgets. V. N. Kirichenko writes in <code>Izvestia</code> that these plenum speeches represent "a specific manifestation" of the party's "leading and guiding role in communist building."

Kirichenko, deputy director of Gosplan's Scientific Research Economic Institute, provides the most specific and interesting commentary on the anthology. The reviews in the other two newspapers are unsigned. The one in Ekonomicheskaya Gazeta relies heavily on quotations from Brezhnev.

While avoiding most other themes, only the Ekonomicheskaya Gaseta review introduces the subject of the economic reform of 1965. It pairs the reform plenum of September 1965 with the agricultural plenum of March 1965. The tenth anniversary of the latter was widely observed last spring, but the anniversary of the September plenum is being largely ignored this month. Presumably this is because of continued controversy over the reform, Brezhnev's weak interest in it, and Kosygin's much closer association with the program. The review turns to Brezhnev's anniversary speech of 1967 and his report to the Party Congress in 1971 to provide quotes by the party chief on the subject.

The three reviews recite the principles of the present system of management: restoration of the sector organization, intensification of centralized planning, and greater independence of financially autonomous enterprises and associations. In addition, Pravda calls for "the improvement of whole complexes of interlinked sectors which are developing in accordance with a definite program" and for "the comprehensive development of the economies of the country's economic regions." Kirichenko advocates a program approach, assuming an increasingly complex and multisector nature, to national economic problems. He links improving management and planning with formulating the next five year plan, as Brezhnev did in his plenum speech of December 1973.

Kirichenko is specific on the commitment to the consumer and agricultural investment programs. He quotes Brezhnev's statement to the 24th Party Congress that improving living standards is the "main task" of this five year plan and will determine the orientation of economic development over the long term. Kirichenko foresees "a qualitatively new type of reproduction" which is more efficient

and which is characterized "by a considerable increase not only in the scale but in the proportion of resources used by society for the upsurge of the people's well-being and the solution of a broad range of social tasks." In agriculture, according to Kirichenko, fixed production capital is growing more rapidly than in any other sector. "Enormous material resources" will continue to be directed toward this sector in the next five year plan. Pravda speaks of Brezhnev's commitment to the consumer and agriculture, but--except for the promise of a well-appointed apartment for every family--in more general terms.

Both *Izvestia* and *Pravda* treat relations with the West in positive but restrained terms and balance the subject by the theme of socialist economic integration. Kirichenko observes that the comprehensive approach to national economic problems should incorporate, "in many cases, foreign economic aspects of development."

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